

CLEVELAND PUBLIC LIBRARY
BUSINESS INFORMATION BUREAU
CORPORATION FILE

J. J. NEWBERRY CO.
NEW YORK

ANNUAL REPORT

DECEMBER 31, 1943

ASSETS

CURRENT ASSETS:

Cash in banks, on hand and in transit.....	\$ 9,710,476.71
Miscellaneous accounts receivable (less reserve \$263.42).....	103,666.41
U. S. Government securities—at cost.....	205,174.00
Merchandise, at the lower of cost or market.....	15,345,622.46
Total Current Assets.....	25,364,939.58
Post-war Excess Profits Tax Refund.....	531,921.45
Miscellaneous Investments and Advances (at cost).....	25,720.54

PROPERTY AND EQUIPMENT:

Land, buildings and improvements—at or below cost.....	\$8,436,180.35	
Less Reserve for depreciation.....	838,194.96	
	<u>7,597,985.39</u>	
Furniture and fixtures—at cost..\$11,558,465.50		
Less Reserve for deprecia- tion.....	5,603,700.96	
	<u>5,954,764.54</u>	
Alterations and improvements to leased premises—at or below cost.....	5,123,504.17	
Less Reserve for amortiza- tion.....	2,067,251.70	
	<u>3,056,252.47</u>	
		<u>16,609,002.40</u>
Prepaid Expenses and Deferred Charges:		
Unexpired insurance, supplies, prepaid rents, taxes, etc.....	643,776.79	
Improvements to leased properties (recover- able) and miscellaneous deferred charges.....	99,621.48	
	<u>743,398.27</u>	
		<u><u>\$43,274,982.24</u></u>

ACCOUNTANT

To the Board of Directors,
J. J. NEWBERRY CO.,
New York, N. Y.

We have examined the consolidated balance sheet of J. J. Newberry Co. consolidated profit and loss and surplus for the year then ended, have reviewed and, without making a detailed audit of the transactions, have examined or tested and to the extent we deemed appropriate. Our examination was made in accordance and included all procedures which we considered necessary.

In our opinion, the accompanying consolidated balance sheet and related consolidated position of J. J. Newberry Co. and subsidiary companies at December 31, 1943, are fairly presented in all material respects in accordance with generally accepted accounting principles applied on a basis consistent with that

New York, N. Y.,
March 18, 1944.

RECORD OF SALES AND EARNINGS

Year	Number of Stores	Sales	Earnings per share on Common Stock Outstanding
1912	1	\$32,382.71	N
1913	2	42,183.99	O
1914	3	92,640.38	T
1915	5	116,009.19	I
1916	5	151,464.52	N
1917	6	149,465.64	C
1918	7	276,449.11	O
1919	17	502,445.43	R
1920	17	751,984.16	P
1921	26	1,157,233.90	O
1922	33	1,750,066.32	R
1923	51	3,564,946.51	A
1924	68	5,114,338.79	T
1925	86	6,897,413.59	E
1926	112	9,985,073.71	D
1927	151	15,069,158.69	\$4.68
1928	210	20,609,366.02	6.42
1929	279	27,789,369.40	8.28
1930	335	30,187,391.73	* 3.06
1931	379	31,146,802.06	3.65
1932	406	33,121,669.83	4.62
1933	417	35,146,574.03	† 3.15
1934	431	41,054,217.93	2.22
1935	450	43,388,611.37	1.73
1936	461	48,376,510.11	1.07
1937	469	50,315,453.78	3.06
1938	476	49,040,697.13	5.38
1939	479	52,272,953.24	4.94
1940	486	55,879,579.64	6.03
1941	488	64,228,956.09	5.27
1942	492	77,313,152.37	4.04
1943	491	91,028,762.69	5.44
			4.53
			6.40
			6.70
			7.58

* 300% Stock Dividend issued September 1st, 1926.

† 50% Stock Dividend and Rights to subscribe to 10% of holdings issued May 1st, 1929.

Consolidated Profit and Loss Account

For the Year ended December 31, 1943

Sales.....		\$91,028,762.69
Cost of Merchandise Sold and Operating Expenses, including general and administrative expenses and after deducting income from rentals.....		79,438,789.05
		<u>11,589,973.64</u>
Deduct:		
Interest on long term notes.....	\$ 37,355.00	
Interest on mortgages and other interest.....	113,907.95	
Provision for depreciation and amortization....	938,949.19	
Losses on sale of real estate.....	296,484.52	
	<u>1,386,696.66</u>	
Less other income (net).....	11,745.27	
		<u>1,374,951.39</u>
		10,215,022.25
Provision for Federal Taxes on Income (including \$6,215,130.37 excess profits tax after deducting debt retirement credit of \$263,484.31).....	7,393,401.06	
Less Post-war Excess Profits Tax Refund.....	384,377.17	
		<u>7,009,023.89</u>
		3,205,998.36
Dividends on Preferred Stocks of J. J. Newberry Realty Co. in hands of the public.....		<u>67,323.47</u>
Net Income for the Year ended December 31, 1943.....		<u><u>\$ 3,138,674.89</u></u>

CONSOLIDATED SURPLUS ACCOUNT

Balance as of December 31, 1942.....	\$13,660,154.98
Net Income for the Year ended December 31, 1943	3,138,674.89
	<u>16,798,829.87</u>
Deduct Dividends:	
5% Cumulative Preferred Stock, Series A....	\$ 254,930.00
Common Stock—\$2.40 per share.....	913,070.40
	<u>1,168,000.40</u>
Balance as of December 31, 1943 (including \$13,144.89 Paid-in Surplus).....	<u><u>\$15,630,829.47</u></u>

J. J. NEWBERRY CO.

AND SUBSIDIARY COMPANIES

Consolidated Balance Sheet as of December 31, 1943

LIABILITIES

CURRENT LIABILITIES:

Accounts payable, bonuses and accrued liabilities.....	\$ 7,836,875.97	
Provision for Federal income, excess profits and capital stock taxes (less \$2,398,000.00 U. S. Treasury Tax Notes, Series C).....	5,114,502.30	
Total Current Liabilities.....	12,451,378.27	
Mortgages Payable on Real Estate (\$95,000.00 estimated principal or instalment payments due in 1944).....	2,928,534.56	
3% Serial Notes—Payable \$310,000.00 annually from December 31, 1946 to December 31, 1948..	930,000.00	
Reserves for Self-insurance (fire and burglary)....	278,410.20	
Minority Interest in J. J. Newberry Realty Co.:		
Capital Stock:		
6½% Cumulative Preferred, Series A—10,000 shares of \$100.00 each, less 206 shares in treasury.....	\$ 979,400.00	
6% Cumulative Preferred, Series B—610 shares of \$100.00 each.....	61,000.00	
	1,040,400.00	
Accrued dividends thereon (due February 1, 1944).....	11,220.16	
		1,051,620.16

CAPITAL STOCK AND SURPLUS:

5% Cumulative Preferred, Series A—par value \$100.00 per share:		
Authorized, 75,000 shares.		
Issued, 50,986 shares.....	5,098,600.00	
Common, no par value:		
Authorized, 800,000 shares.		
Issued, 395,314 shares.....	5,208,571.89	
Earned surplus (under note agreement amount distributable limited to \$11,635,039.05).....	15,617,684.58	
Paid-in or capital surplus.....	13,144.89	
	25,938,001.36	
Less Cost of 14,868 shares of common stock in treasury.....	302,962.31	
		25,635,039.05
		<u>\$43,274,982.24</u>

TS' REPORT

Co. and subsidiary companies as of December 31, 1943 and the statements of the system of internal control and the accounting procedures of the companies accounting records of the companies and other supporting evidence, by methods in accordance with generally accepted auditing standards applicable in the circumstances

ated statements of consolidated profit and loss and surplus present fairly the ber 31, 1943 and the results of the operations for the year, in conformity with t of the preceding year.

PEAT, MARWICK, MITCHELL & CO.

OFFICERS

J. J. NEWBERRY.....	<i>Chairman of the Board</i>
E. A. NEWBERRY.....	<i>President</i>
J. L. BOUGHNER.....	<i>Vice-President</i>
T. H. HOCHSTRASSER.....	<i>Vice-President</i>
J. E. NELSON.....	<i>Vice-President</i>
J. H. EWEN.....	<i>Vice-President</i>
F. R. SMITH.....	<i>Vice-President</i>
W. C. SCHULZ.....	<i>Secretary and Treasurer</i>
F. S. NEWBERRY.....	<i>Assistant Secretary</i>
H. M. WILLGOHS.....	<i>Asst. Secy. and Asst. Treas.</i>

DIRECTORS

J. J. NEWBERRY	
E. A. NEWBERRY	
ANNA C. NEWBERRY	
J. L. BOUGHNER	
T. H. HOCHSTRASSER	
C. V. PALLISTER	
W. C. SCHULZ	
F. R. SMITH	
J. H. EWEN	
WALTER WILLIAMS	
F. S. NEWBERRY	
J. E. NELSON	
